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Salt Lake City, UT 84114  
Telephone (801) 538-3872

**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH**

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENT:**

TALON GROUP, A DIVISION OF FIRST  
AMERICAN TITLE INSURANCE COMPANY  
330 East 400 South  
Salt Lake City, UT 84111  
License No. 104807

**STIPULATION  
&  
ORDER**

Docket No. 2005-122 PC

Enf. Case No. 1641

**STIPULATION**

1. Respondent, Talon Group, A Division of First American Title Insurance Company, is a licensed title insurance producer in the State of Utah, holding License No. 104807.
2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:
  - a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
  - b. Respondent admits the Findings of Fact and Conclusions made therefrom;
  - c. Respondent stipulates to the summary entry of the Order herein which shall be

in lieu of other administrative proceedings by Complainant in this matter; and

d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

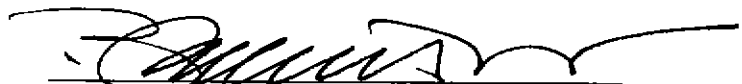
3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.


4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for the purpose of disposition of the matter entitled herein.

DATED this 18<sup>th</sup> day of ~~October~~, 2005.

  
TALON GROUP, A DIVISION OF FIRST  
AMERICAN TITLE INSURANCE CO.  
Blake Heiner, General Counsel

  
UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. In August 2004, Respondent discounted its title premium rate on a policy covering property located in the State of Utah in order to obtain title business.
2. Beginning in May 2003, and continuing through May 20, 2005, Respondent conducted escrow closings when it did not have any escrow rates filed with the Utah Insurance Department.
3. From the period of May 2003, through March 2005, Respondent employed at least seven (7) persons to act as escrow and title agents prior to designating them as agents.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. In discounting its title premium rates, Respondent violated Utah Code Annotated § 31A-23a-402(2)(a)(i) and (2)(c)(i)(A).
2. In conducting escrow closings prior to filing escrow rates with the department, Respondent violated Utah Code Annotated § 31A-19a-209.
3. In employing title and escrow agents prior to designating them, Respondent committed seven (7) violations of Utah Code Annotated § 31A-23a-302.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

**ORDER**

IT IS HEREBY ORDERED:

1. Respondent is assessed an administrative forfeiture in the amount of \$75,000.00, to be paid within 30 days of the date of this Order.
2. Respondent's producer license is placed on probation for a period of two years beginning with the date of this Order. The terms of probation are that the Respondent shall pay the forfeiture assessed herein in a timely manner and shall have no further violations of the Utah Insurance Code or Rules or of any order of the commissioner.


**NOTIFICATION**

Respondent is hereby notified that failure to abide by the terms of this Order may subject it to further penalties, including additional forfeitures of up to \$5,000.00 per violation and the suspension or revocation of its license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 19<sup>th</sup> day of October, 2005.

D. KENT MICHIE  
INSURANCE COMMISSIONER

  
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MARK E. KLEINFELD, Esq.

Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone (801) 538-3800

CERTIFICATE OF MAILING

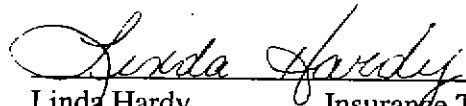
I do hereby certify that on this date I mailed, by regular mail, postage prepaid, a true and correct copy of the attached:

**STIPULATION  
&  
ORDER**

To the following:

***TELON GROUP, A DIVISION OF  
FIRST AMERICAN TITLE INSURANCE COMPANY  
330 EAST 400 SOUTH  
SALT LAKE CITY, UT 84111***

DATED this 15<sup>th</sup> day of November, 2005

  
Linda Hardy Insurance Technician  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901  
(801) 538-3813

**Invoice****Due Date** 12-10-2005**Amount Due**

\$75,000.00

**Invoice ID** 264204**Payor ID** 14329**Total Amount Remitted** \$

Make Checks Payable To:

**Utah Insurance Department****3110 State Office Building****Salt Lake City, UT 84114-6901**

TALON GROUP, A DIVISION OF FIRST AMERICAN TITLE  
INSURANCE COMPANY, THE  
330 E 400 S STE 250  
SALT LAKE CITY UT 84111

**Invoice ID** 264204**Payor ID** 14329**Invoice Print Date** 11-15-2005**Items:**

11-15-2005 Monetary Penalty Company

75,000.00

**Amount Due..... \$75,000.00**